

# MIS-INFODEMIC: THE ACHILLES' HEEL IN COMBATING THE COVID-19 PANDEMIC IN CONSUMER PERSPECTIVE

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## Abstract

Not only is Covid-19 a global health problem, it is about life itself. But much worse, this paper says it's about the world's future. There can be another pandemic, or pandemic, that is even worse than the Covid-19 pandemic that is already killing thousands around the world in this century or in the next century. This paper also addresses another phenomenon that weighs heavily on global health-misinfodemic, in addition to Covid-19. Misinfodemic is basically disinformation, which would make the effect of Covid-19 even worse. It can be deliberate or accidental, but it gets viral when pseudo-health workers, who can be journalists, authors, or social media users, share this online or on the internet. This misinformation becomes fact, irreversible, and is believed by millions mothers, young and adults who have access to the internet. They believe the health recommendations as if part of life. The results can aggravate health risks. Moreover, impacts of pandemics and recessions on consumer behaviour and economies are also incorporated in this paper.

**Keywords:** Covid-19; Pandemic; Misinfodemic; Pseudo-health workers

## INTRODUCTION

Pandemics, like the Covid-19, Ebola, and SARS have tremendous impact on world economy and consumer behaviour. In the ongoing, still uncontrollable pandemic, world economy is at a standstill (OECD, 2020). Consumption pattern is significantly affected and altered as people are confined at home, while many countries have imposed this so-called new normal – social distancing and wearing of face masks. In developing countries, governments have to enforce stricter measures, such as closing down boundaries in villages, towns, or provinces. There is minimal economic activity at all as the great part of the population is under some form of lockdown (The Lancet, 2020b). Governments have to provide food-rationing and other forms of social amelioration (OECD, 2020). Livelihoods of peoples of different socio-economic backgrounds are severely affected, with long-lasting impact (United Nations Economic and Social Commission for Western Asia, 2020). Along with the health problem is the amount of information, mostly contradicting, posted online and on social media that have become viral to the point that this might exacerbate the already uncontrollable pandemic. Misinfodemic, which impacts physical health when posted online or on social media like Facebook, Twitter and other social media platforms, is “the spread of a particular health outcome or disease,” which becomes viral and makes people more susceptible to diseases (Gyenes & Mina, 2018). This paper will focus on Covid-19, its impact on customer behaviour and economy, and misinfodemic, a term that has aggravated the pandemic's impact because of its viral misinformation. Researchers suggest that it is not only the real virus that has claimed millions of lives, but a different one transmitted online that have multiplied the death toll Rao & Andrade, 2011).

## BACKGROUND

Covid-19, which infects both humans and animals, has global impact not only on health but also on the global economy. Major economies and the whole world temporarily closed down businesses and industries, but reopened after the first surge that took effect about two months. Countries are now attempting to reopen their economies. The WHO is recommending a gradual removal of restrictions after the first pandemic surge (WHO, 2020). In an editorial by *The Lancet*, this is not about global health but “about life itself,” and we really do not know whether this is the worst crisis in this century, as there can be far worse than the Covid-19 pandemic within this century (The Lancet, 2020a). Economic recovery will depend on the right moves and recommendations of different governments (OECD, 2020).

## RESEARCH METHODOLOGY

This paper analysed the impact of Covid-19 and infodemic on what is happening in the world today and the many instances in past pandemics. Sources were taken from online repository and from the internet and

information about Covid-19 and infodemic were gathered, and analysed in relation to their impact on consumer behaviour, economy, and businesses. Recommendations were provided at the end.

### RELATED LITERATURE

In the recent past, misinfodemic has triggered mothers' false beliefs over vaccination and several health problems, and the reason why some mothers are hesitant in having their children vaccinated (Rao & Andrade, 2011). An example of misinfodemic is the Wakefield study. Andrew Wakefield published in *The Lancet* a study that attempted to associate measles, mumps, and rubella (MMR) vaccine with autism. The outcome of this viral reporting, which has been retracted by The Lancet, has become irreversible. But the Wakefield study has proved to be fraudulent, lacked evidence and has been retracted for its methodological problem. The retraction says that "no causal link was established between MMR vaccine and autism as the data were insufficient" (Murch et al. as cited in Rao & Andrade, 2011).

Measles has reemerged in some states where it had been declared already non-existent by the Centers for Disease Control (CDC) (Gyenes & Mina, 2018) – all because of Wakefield's viral article. This has strong implications to what is going on now in the world today and what Covid-19 can do, how much misinfodemic can multiply the death toll than what the real virus can really infect.

Another misinformation which became popular in New South Wales, Australia, is about water fluoridation. More children were hospitalised for tooth extractions than in areas with water fluoridation. People were swayed by a study that ran online, a severely-flawed study which provided wrong information about fluoridation. The story, promoted by some groups, has become viral and irreversible because this is now popular in social media (Gyenes & Mina, 2018).

Other instances can be gleaned in the Ebola virus outbreak, and how journalists reported and acted as "experts" on the matter has amplified panic and distorted facts (Thomas & Senkpeni, 2020). The 2013 Ebola virus infected millions but this was further amplified through tweets posted by the thousands per minute. Ebola was not only spread on air but online, spanning the globe from West Africa to the Western World, with journalists who knew nothing about the disease and other health outcomes becoming "experts" in the field, recommending immediate treatment like "homeopathy, coffee, raw onions and saltwater" (Nicholls, 2019).

The viral reporting fostered the belief among mothers in the U.K. and the U.S. and in some countries that vaccination is a matter of choice. A subsequent investigation states that Wakefield was supported by lawyers who had cases against vaccine-producing companies. But his study has been disproved and discredited by several other studies (Edwards as cited in Cassara, Suitner, & Bettinsoli, 2019). Wakefield's license has been revoked but the viral article, the misinfodemic, has remained infectious. Because of his campaign, the measles virus has infected 41,000 in Europe, with 37 deaths (Nicholls, 2019). Now, numerous tweets, posts and blogs that have become viral are recommending some form of treatment for Covid-19. Misinformed people can believe this and may tend to hide their elder relatives, with the hope that they can cure their loved-ones at home.

The deliberate misinformation campaign has given rise to cough and measles diseases. According to Dr. Petousis-Harris, who sits at the World Health Organisation Global Committee on Vaccine Safety (GACVS), only a coordinated action between government and public health authorities can effectively address the online misinformation, and this should be done in coordination with technology companies like Google. This will provide some form of spam filter to deal with fake news that people always see on social media (Nicholls, 2019).

### Related Literature

Viral misinformation can influence people's behaviour and perceptions. Effective communication should provide a necessary balance of facts. In this age of fast communication, truth is usually distorted while quantity is preferred than quality of information. How journalists provide information influences people's apparent confidence of scientific evidence, and even if professional standards provide guidance, writers tend not to succeed in this particular field (Rao & Andrade, 2011).

### Impact on Consumer Behaviour

Consumers show their values in the way they spend their money, particularly in economic crises, or in pandemics that impact the economy. Postmodern humans are "homo consumericus – 'a creature defined by consumption and the experiences derived therefrom'" (Faganel, 2011, p. 193).

Consumer behaviour involves consistent decision-making process of looking for, buying, using, assessing and positioning of products and services (Stašenková as cited in Valášková & Klieščík, 2015). In a March 21 survey by Nielsen, consumer spending during a pandemic is limited to products about health, safety and

cleaning material, water-filtration products, baking powder, and similar others (Promotional Marketing, 2020). People's experiences in recessions reflect in consumer patterns and behaviour. When Covid-19 was spreading so fast, businesses and industries were closing down, and consumer pattern and behaviour started to change.

People purchase food to stockpile in their home shelves, afraid of shortage not knowing they are the ones causing the shortage. The lockdown (closing of borders or restricted travel) has caused a lot of uncertainty in people's minds. The Nielsen survey (Murillo-Vargas, 2020) resulted in six consumer behavioural stages influenced by the Covid-19 pandemic:

- 1.) Buying decision based on health products – health products like alcohol and face masks are dwindling in store shelves
- 2.) Reactive health decision making – products are stored at home 3.) Purchase of shelf-safe products – constant store purchases
- 3.) Purchases for quarantine living – online buying 5.) Constrained living, and
- 4.) Preparations for a new normal

According to this survey, the new normal focuses on health issues, daily activities will return but lived experiences will have a number of restrictions, like wearing of face masks and gloves and social distancing.

### **Economic impact**

The Covid-19 impacts entrepreneurs, small and big business. In this Covid-19 related economic crisis, sales have come down to zero, from 100% (Açikgöz & Günay, 2020). Covid-19 caused a contraction of the economy which is primarily due to the global restriction of the travel and tourism sectors. A number of countries are dependent on these sectors. Large impact has also damaged production and consumption with layoffs and bankruptcies in almost all sectors. Other economic effects include unemployment, decreased interest rates, and global economic shock as economic impact from one country has spread to other countries (Açikgöz & Günay, 2020).

The World Bank (2013) has said that "... a severe pandemic would resemble a global war in its sudden, profound, and widespread impact." A pandemic will cost about 5% of the world's gross domestic product (GDP), equivalent to \$3 trillion. The United Nations Conference on Trade and Development put the economic cost of Covid-19 to \$2 trillion (UNCTAD, 2020). Recessions are an aspect of an economic cycle where consumer confidence rates are low, luxury purchases (e.g., cars and furniture) falls, and during restricted travel, tourism significantly decreases (Valášková & Klieštík, 2015). In the 2008 financial crisis, the U.S. was first affected but it soon spread to the outside world like wildfire. The European Union (EU), Japan, and the United States, and other significant world economies experienced recession in the middle part of 2008 (Verick & Islam, 2010). The crisis resulted in negative growth for both small-and-medium enterprises and big corporations (Açikgöz & Günay, 2020). The economic downturn also created new requirements for retailers and their suppliers to respond to consumer needs. The Covid-19 related economic crisis might be worse, considering the gravity of the problem it has created to industries and world economies.

### **Impact on SMEs**

Significant impact can be seen on small-and-medium enterprises. Some countries, especially developing ones, are comprised of relatively, small businesses called SMEs. SME definition depends on the country or organisation that defines it. Generally, SMEs are those with fewer than 250 employees, with a balanced sheet of not more than 43 million euros. In the U.S., SMEs are those with less than 500 employees; other countries set their SMEs strength to less than 200 employees (OECD, 2005).

Governments might have to individually deal with their respective jurisdictions when it comes to helping SMEs. For example, in Canada BDC, Canada's bank for entrepreneurs, and Export Development Canada (EDC), Canada's export credit agency, are helping their SME's fight the Covid-19 impact, and have earmarked an additional \$40 billion for lending (Canada Newswire, 2020).

### **Impact on Production/Manufacturing**

U.S. industrial production and other major sectors of the economy are significantly impacted by the coronavirus pandemic. In early March, the United Nations Conference on Trade and Development (UNCTAD) reported a decrease of \$50 billion in exports across global value chains. In February, China's manufacturing Purchasing Manager's Index (PMI) fell by about 22 points to 37.5, by far the lowest since 2004. Covid-19 has impacted financially the manufacturing sector, and it has created a negative financial effect on businesses, with many facing supply chain problems. The financial losses to U.S. manufacturers will create a domino effect on production and foreign trade operations (PR Newswire, 2020).

The automobile is heavily affected as primary car makers have closed down their manufacturing operations in many countries, concerned for their workers' health and safety. For example, General Motors, Ford and Fiat Chrysler have closed their factories in North America, which then affects the entire auto-making in the U.S. Other big companies whose business operations are heavily affected include Amazon.com, Ford Motors Corp, Hyatt Hotels Corporation, and Boeing Co. This is not to mention the major retailers which have large stores across the U.S.; this will impact the growth in the retail sector (PR Newswire, 2020). James Chung of StratoDem Analytics, a data science firm in Cambridge, Massachusetts that provides geographic market intelligence and forecasting in the U.S., says that the three worst-hit areas in the U.S. are counties that are dependent on the oil industry, tourism and cyclical manufacturing, but other areas are also impacted (Watson, 2020).

In Japan, businesses and cruise ships are going under with debts running in billion yen, such as \$11 million in some instances. About 10,000 companies are saying they will have negative performance for 2020. The Tokyo Olympic has been indefinitely postponed, which Japan has spent millions of dollars for its preparation. There needs a change of consumer behaviour, work-from-home and online businesses (Takeshita, 2020).

### **Impact on China and other countries**

China has been battling Covid-19 and its economy is deeply affected since the first quarter of 2020. This is a large country that has been crucial in supply and demand for many countries, and also a primary concern for companies, even U.S.-based ones. This economic negativity in China will spill over other countries that are dependent on its economy. The Organisation of Economic Cooperation and Development (OECD) reported a downward growth in China from 6.1% to 5%. Moreover, global economic growth will also fall from 2.4% in 2020 as against 2.9% in 2019. There is likewise a reported drop in overall global economic activities (OECD, 2020).

Tourism will have a negative growth. This is a sector that accounts for 10.4% of the world's income, and also employs about 10% of the world's labour force, according to the World Travel & Tourism Council (WTTC, 2019). World tourism is the hardest hit in the current pandemic because countries have been forced to close their borders and limit travel. China accounts for about one tenth of cross-border visitors and a sharp decline in outbound tourism results in adverse demand curve in countries dependent on Chinese visitors. A decline of 20% to 30% in international tourism is equivalent to approximately \$300 to \$450 billion (WTTC, 2019). This will cost airlines around \$252 billion or a drop of 44% in lost revenue (World Tourism Organization, 2020).

The global economic activity is at a standstill, and it is not known when a new normal will bring us all to the "real normal," where people can walk around without face masks and huddle with one another, ignoring social distancing. This will only happen if a Covid-19 vaccine is discovered, which may take place in years. The OECD reports that Covid-19 economic shock is already bigger than the 2008 financial crisis (Açikgöz & Günay, 2020). The OECD Secretary General Angel Gurría says that "...many countries would fall into recession and countries would be dealing with the economic fallout of the Covid-19 pandemic for years to come" (Açikgöz & Günay, 2020, p. 524). The IMF also sees a gloomy 2020-2021 economic situation, which can be worse than the 2008 global financial crisis. In order to address negative growth, the global health problem must first be contained since economic recovery will depend on the end of the corona virus.

### **Consumer Policy: Partial Solution**

A change in consumer policy may alter the significant effects of a recession and also affect consumer behaviour. Consumer policy can significantly enhance consumer spending and improve the economy through right information about products and services and motivate consumers into accurate purchases (Hawkins et al. as cited in Valášková & Klieštík, 2015).

Consumers are those who purchase (consume) the products and services, and without them markets will not be functional. Consumer policy aims to protect consumers from unscrupulous manufacturers, the opportunistic ones who take actions in times of economic turmoil. Consumer policy looks very closely at the situation and can save the economy from a vertical fall or near-collapse.

According to Valášková and Klieštík (2020), some consumer policy moves may include: ensure that best prices are introduced in food, housing, energy and health services; improve consumer freedom to choose and provide more product information; protect consumers about health risks of products; wide range of consumer protection in physical stores or websites; and much more. Consumer policy aims to inform consumers about goods and services for a right consumer buying decision, and to help in providing a functioning competitive market. Consumer policy also aims to protect the consumers from other sectors' moves that are detrimental to their safety and welfare.

## RECOMMENDATIONS

World economy can successfully fight Covid-19 if it works as one – heal as one and move forward with care, with measures that protect all of us. Technology helps; but technology will also destroy all helpful moves if this is left behind without the proper regulations, like what happened to past pandemics that were exacerbated by misinfodemic, or the spread of false information that has become viral over the internet.

Possible treatment and/or vaccine will help “heal” the situation, or make the world economy move to its right direction. For now, major economies or advanced countries are making the right move to restart their economies by relaxing some restrictions and reopening industries. But many are talking about a new normal, a scenario that is becoming a new reality for us all. Human will have to move with a face mask and observe social distancing as the coronavirus is still around the corner. Truth is vaccine is what the world needs at the moment and in the foreseeable future.

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